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ZNR UUUUU ZZH
P 190703Z MAY 06
FM AMEMBASSY ISLAMABAD
TO RUEHC/SECSTATE WASHDC PRIORITY 8816
RUEHKP/AMCONSUL KARACHI PRIORITY 0972
RUEHLH/AMCONSUL LAHORE PRIORITY 8785
RUEHPW/AMCONSUL PESHAWAR PRIORITY 6639

UNCLAS ISLAMABAD 009152

SIPDIS

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DEPT - PLEASE PASS TO NEA, EB, L, TREASURY, COMMERCE/BIS/OAC AND USTR

E.O. 12958: N/A

TAGS: KBCT ABLD PHUM PIRF AL PK

SUBJECT: PAKISTANI COMPLIANCE WITH OIC AND AL BOYCOTTS

AGAINST ISRAEL

REF: STATE 66895

- 11. Post offers the following response to reftel queries regarding Pakistani observance of boycotts of Israel and Israeli-made products.
- $\P 2$. Pakistan is not a member of the Arab League (AL) and is not, therefore, bound by the AL boycott (ALB).
- 13. Pakistan is a member of the Organization of Islamic Conference (OIC) and a signatory to the Resolution 1/3-P (IS) of the Makkah Summit (January 25-28, 1981)
- 14. Though there is no such legislation in the corporate law to prohibit Pakistani companies from trading with Israel, to trade with any foreign country, local companies must get clearance from the country,s foreign office. As the Government of Pakistan (GOP) does not recognize the State of Israel, such clearances would be virtually impossible for a local company to obtain. Multinational companies) e.g., Citibank, Pepsi, Coca-Cola) operating in Pakistan are not subject to any conditions related to the OIC boycott.
- 15. The GOP does not put any conditions requiring U.S. or international firms to sign affidavits, boycott compliance questionnaires, or boycott-clearance certificates regarding trade with Israel.
- 16. As the GOP places no bar on foreign companies regarding trade with Israel, it does not require foreign firms to provide periodic compliance reports.
- 17. GSO/Procurement routinely conducts business with Pakistani companies and local franchises of foreign companies. GSO/Procurement is not aware of any boycott compliance requirements made by the GOP on U.S. companies doing business with the post.
- 18. As it is not an Arab League member, Pakistan has no Arab League Boycott office. Pakistan has not complied with OIC calls to establish Islamic Boycott Offices in the member states.
- ¶9. The post is not aware of any instances of unauthorized boycott compliance enforcement by a recalcitrant government office or officer. If such a situation were to occur, foreign companies have recourse to in national courts and could request the GOP to take legal action against such offices.

CROCKER